(b) whether it is also a fact that RBI has allowed a large number of branches of banks to close in rural areas during the last three years;

(c) whether RBI is encouraging the closure of branches of banks in rural areas;

(d) if so, the reasons therefor; and

(e) the steps proposed to review this policy of RBI to discourage banking habits in rural areas?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. The RBI has reported that it follows a balanced approach of opening of new bank branches in rural and other areas and consolidation of existing branch network. Closure of the loss making branches at rural centres having a single commercial bank branch is not permitted. However, where centres are served by 2 or more commercial bank branches (excluding, the RRBs) closure/merger of one branch which is incurring losses is permitted, as a special case, only after obtaining prior approval of the District Consultative Committee (DCC). Besides, with a view to strengthen the banking activities in the rural areas it has laid a condition for all the new private sector banks that they are required to open a minimum of 25% of their total branches in rural/semi-urban areas at the time of issuing the licence to them. As on 31.3.2004, 41% of the public sector bank branches and 19% of the private sector bank branches were in rural centres. It has also further reported that, as against, the 120 rural branches closed/merged/converted, permission of opening of branches at 156 rural centres were issued during the last three years 2001-02 to 2003-04.

(b) and (c) No, Sir.

(d) and (e) Do not arise.

Unclaimed bank deposits

1396. SHRI ARUN JAITLEY: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that a large amount is being used by the nationalized banks at present which belonged to the unclaimed savings bank account holders;

(b) if so, the details thereof, bank-wise;

(c) what is the criteria/policy/guidelines issued by the RBI in this regard;

(d) whether the Nationalised Banks have implemented the guidelines of RBI; and

(e) if not, the reasons therefor and the steps taken by the banks in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Reserved Bank of India (RBI) have reported that total amount of money in unclaimed saving bank accounts of nationalized banks which have not been operated for ten years as on 31st December, 2003 is Rs. 291.87 crores approximately.

(b) Bank-wise details are as follows:—

Sl. No.	Name of the Nationalised Bank	Amount in (Rs)
1.	Allahabad Bank	25644135.20
2.	Andhra Bank	72658578.00
3.	Bank of Baroda	127094799.00
4.	Bank of India	116193247.83
5.	Bank of Maharashtra	119644851.50
6.	Canara Bank	764119627.11
7.	Central Bank of India	208383483.00
8.	Corporation Bank	34216705.06
9.	Dena Bank	61805896.85
10.	Indian Bank	114958775.00
11.	Indian Overseas Bank	340024515.00
12.	Oriental Bank of Commerce	78512826.00
13.	Punjab National Bank	997719.00
14.	Punjab & Sind Bank	58975916.00
15.	Syndicate Bank	47193234.00
16.	Union Bank of India	308379514.08

Sl. No.	Name of the Nationalised Bank	Amount in (Rs)
17.	United Bank of India	175481160.00
18.	UCO Bank	170724786.55
19.	Vijaya Bank	93685326.00
	TOTAL	**2918695095.18**

(c) to (e) RBI have reported that Section 26 of the Banking Regulation Act, 1949 provides, *inter-alia*, that every banking company shall, within 30 days after close of each calendar year, submit a return in the prescribed form and manner to the Reserve Bank of India, as at the end of each calender year (*i.e.* 31st December), of all accounts in India which have not been operated upon for 10 years.

RBI have advised banks that they should ensure that their branches follow up accounts which remain inoperative for a year or so by sending suitable advise to the customers and if the said letters are returned undelivered, they may immediately be put on enquiry to find out the whereabouts of customers or their legal heirs in case they are deceased.

As per extant guidelines of RBI, the money lying in dead saving accounts is paid to legal heir, if claimed, RBI has reported that the amount lying in dead accounts forms part of banks' liability and is deployed in normal course.

Sale of stake in Balco

1397. SHRI JIBON ROY: Will the Minister of FINANCE be pleased to state:

(a) whether Government are going to retract from the decision of selling 49 per cent stake of M/s Balco to Sterlite; and

(b) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) No, Sir. The Call Option available to the Strategic Partner M/s Sterlite Industries (India) Ltd. to buy the Residual Shares of Government, including shares left over after Offer of up to 5% out of the Residual Equity to employees, is provided in the Shareholders Agreement entered into with the Strategic Partner at the time of disinvestment.